

Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 01330 01 OF 02 281953Z

51

ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-06 NEA-09 IO-10 ISO-00

INRE-00 SSO-00 NSCE-00 USIE-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-02 LAB-04

NSAE-00 NSC-05 PA-01 RSC-01 AID-05 CIEP-01 SS-15

STR-01 TAR-01 TRSE-00 PRS-01 SP-02 OMB-01 FEA-01 /120 W

----- 068399

O R 281933Z JAN 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC IMMEDIATE 7697

INFO AMEMBASSY ALGIERS

AMEMBASSY CANBERRA

AMEMBASSY LA PAZ

AMEMBASSY BRASILIA

AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

AMEMBASSY BOGOTA

AMEMBASSY SAN JOSE

AMEMBASSY SANTO DOMINGO

AMEMBASSY QUITO

AMEMBASSY SAN SALVADOR

AMEMBASSY ADDIS ABABA

AMEMBASSY ACCRA

AMEMBASSY GUATEMALA

AMEMBASSY CONAKRY

AMEMBASSY PORT AU PRINCE

AMEMBASSY TEGUCIGALPA

AMEMBASSY NEW DELHI

AMEMBASSY JAKARTA

AMEMBASSY KINGSTON

AMEMBASSY NAIROBI

AMEMBASSY MONROVIA

AMEMBASSY MEXICO

AMEMBASSY MANAGUA

AMEMBASSY YAOUNDE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 01330 01 OF 02 281953Z

AMEMBASSY BANGUI

AMEMBASSY COTONOU
AMEMBASSY LIBREVILLE
AMEMBASSY ABIDJAN
AMEMBASSY TANANARIVE
AMEMBASSY LOME
AMEMBASSY PANAMA
AMEMBASSY ASUNCION
AMEMBASSY LIMA
AMEMBASSY LISBON
AMEMBASSY KIGALI
AMEMBASSY FREETOWN
AMEMBASSY DAR ES SALAAM
AMEMBASSY PORT OF SPAIN
AMEMBASSY CARACAS
AMEMBASSY KINSHASA
AMEMBASSY LAGOS
AMCONSUL LUANDA
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 01 OF 02 LONDON 01330

E.O. 11652: N/A

TAGS: OCON, ETRD, UK

SUBJ: COFFEE: REACTIONSTO PRODUCER PRESS STATEMENT

REF: LONDON 1274

1. FURTHER TO REFTEL, REUTERS JANUARY 27 CARRIES ARTICLE BY PHILIP FOSTER HEADLINED "SOME AFRICAN PRODUCERS UNHAPPY WITH CANTU'S STATEMENT" IN WHICH INFORMED AFRICAN SOURCES (N'DIA OF OAMCAF) EXPRESSED CONCERN AT STATEMENT MADE BY CHAIRMAN OF COFFEE PRODUCERS' GROUP. AFRICAN SOURCES REPORTED PARTICULARLY DISTURBED AT REFERENCES TO LACK OF POLITICAL WILL ON PART OF CONSUMERS AND SINGLING OUT OF US TRADE ACT AS CAUSE OF CURRENT MARKET UNCERTAINTIES. SOURCE NOTED THAT "SOME IMPORTANT PRODUCING MEMBERS, INCLUDING MEXICO, HAD NOT SUBMITTED PROPOSALS AND AT LEAST ONE MAJOR PRODUCER HAD PLAYED LITTLE PART IN THIS MOST RECENT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LONDON 01330 01 OF 02 281953Z

ROUND OF ICA TALKS." COMPLETE TEXT OF ARTICLE WILL BE SENT REFTEL.

2. CONSUMERS HELD UNSCHEDULED CAUCUS MORNING OF SEPTEMBER 28 TO DISCUSS CANTU'S PRESS RELEASE. CHAIRMAN (MUSGROVE OF CANADA) REPORTED HE HAD DISCUSSED RELEASE WITH BRAZILIAN REP, RAFFAELLI, WHO SAID HE SHOCKED AT STATEMENT WHICH DID NOT REFLECT PRODUCER VIEWS.

RAFFAELLI ADDED CANTU HAD BEEN AUTHORIZED TO MAKE A STATEMENT ON BEHALF OF PRODUCERS AND THEREFORE IT WOULD BE DIFFICULT FOR PRODUCERS TO REPUDIATE. HOWEVER, HE, RAFFAELLI, WOULD BE WILLING TO DISCUSS OFF THE RECORD WITH PRESS. MUSGROVE ALSO READ TEXT OF REUTERS ARTICLE ON AFRICAN DISPLEASURE.

3. USREP SUGGESTED FORMAL RETRACTION OR DISAVOWAL BY PRODUCERS OF VIEWS EXPRESSED WOULD BE IDEAL SOLUTION. ALSO, CONSUMERS SHOULD ISSUE COLLECTIVE STATEMENT DEPLORING CANTU'S PRESS RELEASE. FRANCE (GALLO) AGREED ON CONSUMERS STATEMENT BUT DOUBTED PRODUCERS WOULD FORMALLY RETRACT THEIRS. UK, NETHERLANDS, CANADA, SWITZERLAND AND SWEDEN ALSO WEIGHED IN ON SIDE OF A CONSUMER STATEMENT. CAUCUS APPOINTED US, UK AND FRENCH REPS TO DRAFTING COMMITTEE AND AGREED TO REQUEST POSTPONEMENT REGULAR WORKING GROUP MEETING UNTIL AFTER STATEMENT ISSUED. (PRODUCERS HAD BEEN COOLING THEIR HEELS IN LOUNGE FOR MORE THAN AN HOUR.)

4. DURING BREAK FOR DRAFTING, RAFFAELLI PULLED ASIDE OTHER US REPS TO EXPRESS HIS DISMAY AT CANTU STATEMENT. HE SAID CANTU IS BASICALLY INTERESTED IN FURTHERING HIS OWN CAREER IN MEXICAN POLITICS AND THE IRRESPONSIBLE STATEMENT CLEARLY REFLECTED THAT. ALTHOUGH PRODUCERS HAD AUTHORIZED CANTU TO MAKE A STATEMENT ON THEIR WEEK-END MEETING, NONE OF THE CONTROVERSIAL ITEMS IN THE PRESS RELEASE HAD EVEN BEEN DISCUSSED. RAFFAELLI SAID THAT IF HE WERE ASKED IN A FORMAL MEETING IF THE CANTU STATEMENT REPRESENTED A PRODUCER CONSENSUS HE WOULD REPLY (RELUCTANTLY), THAT IT DID NOT.

SPIERS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 LONDON 01330 01 OF 02 281953Z

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LONDON 01330 02 OF 02 281958Z

51
ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-06 NEA-09 IO-10 ISO-00

INRE-00 SSO-00 NSCE-00 USIE-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-02 LAB-04

NSAE-00 NSC-05 PA-01 RSC-01 AID-05 CIEP-01 SS-15

STR-01 TAR-01 TRSE-00 PRS-01 SP-02 OMB-01 FEA-01 /120 W

----- 068476

O R 281933Z JAN 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC IMMEDIATE 7698

INFO AMEMBASSY ALGIERS

AMEMBASSY CANBERRA

AMEMBASSY LA PAZ

AMEMBASSY BRASILIA

AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

AMEMBASSY BOGOTA

AMEMBASSY SAN JOSE

AMEMBASSY SANTO DOMINGO

AMEMBASSY QUITO

AMEMBASSY SAN SALVADOR

AMEMBASSY ADDIS ABABA

AMEMBASSY ACCRA

AMEMBASSY GUATEMALA

AMEMBASSY CONAKRY

AMEMBASSY PORT AU PRINCE

AMEMBASSY TEGUCIGALPA

AMEMBASSY NEW DELHI

AMEMBASSY JAKARTA

AMEMBASSY KINGSTON

AMEMBASSY NAIROBI

AMEMBASSY MONROVIA

AMEMBASSY MEXICO

AMEMBASSY MANAGUA

AMEMBASSY YAOUNDE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 01330 02 OF 02 281958Z

AMEMBASSY BANGUI

AMEMBASSY COTONOU

AMEMBASSY LIBREVILLE

AMEMBASSY ABIDJAN

AMEMBASSY TANANARIVE

AMEMBASSY LOME

AMEMBASSY PANAMA

AMEMBASSY ASUNCION

AMEMBASSY LIMA

AMEMBASSY LISBON
AMEMBASSY KIGALI
*-3.?- 6 *433592, 0267
AMEMBASSY DAR ES SALAAM
AMEMBASSY PORT OF SPAIN
AMEMBASSY CARACAS
AMEMBASSY KINSHASA
AMEMBASSY LAGOS
AMCONSUL LUANDA
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 02 OF 02 LONDON 01330

5. USREP REPLIED THAT CONSUMERS FELT A FORMAL, PUBLIC RESPONSE WAS CALLED FOR AND THAT WE HOPED TO MAKE OUR POINTS FIRMLY BUT WITHOUT PROVOKING FURTHER NEEDLESS DISSENTION. USREP ADDED THAT WE KNOW FROM EARLIER EXPERIENCE THAT CANTU IS AN UNGUIDED MISSILE, BUT THIS IS A PROBLEM THE PRODUCERS MUST FACE UP TO. THE US, FOR ONE, WOULD HAVE GREAT DIFFICULTY IN MAINTAINING A CONSTRUCTIVE ATTITUDE TOWARD THE DISCUSSIONS IF WE WERE CONSTANTLY BOMBARDED BY CRITICAL PRESS RELEASES FROM THE CHAIRMAN OF THE PRODUCERS GROUP. RAFFAELLI SAID HE REALIZED THIS AND WAS SEEKING INSTRUCTIONS FROM BRASILIA TO TAKE A STRONG STAND IN FUTURE PRODUCERS' MEETINGS.

6. DRAFT STATEMENT BY COMMITTEE WAS APPROVED WITH ONLY MINOR CHANGES BY CONSUMER CAUCUS AND, AS A COURTESY, SHOWN TO RAFFAELLI AND N'DIA BEFORE IT GIVEN TO PRESS.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LONDON 01330 02 OF 02 281958Z

NEITHER PRODUCER REPS RAISED OBJECTIONS TO IT.

7. COMMENT: WHEN THE CANTU STATEMENT WAS FIRST ISSUED A NUMBER OF CONSUMER REPS SPECULATED THAT ITS PURPOSE WAS EITHER TO BREAK UP THE TALKS OR TO SOMEHOW FORCE CONSUMER REPS TO REVEAL THEIR HANDS ON THE DESIRABILITY OF A NEW AGREEMENT. ITS EFFECTS WERE QUITE DIFFERENT. IT PRODUCED A SOLID CONSUMER CONSENSUS THAT WE WOULD NEITHER BE PROVOKED INTO BREAKING OFF THE DISCUSSIONS NOR BLACKMAILED INTO REVEALING OUR NEGOTIATING POSITIONS. UNEXPECTEDLY, IT PRODUCED A CONCERTED AND ENERGETIC INITIATIVE BY THE BRAZILIANS AND AFRICANS (OAMCAF) TO DISASSOCIATE THEMSELVES FROM THE STATEMENT AND KEEP THE DISCUSSIONS GOING. IF THE BRAZILIANS HAD WISHED TO SCUTTLE THE TALKS AT THIS TIME, THEY PROBABLY COULD HAVE DONE SO EITHER BY DIRECT SUPPORT OF CANTU OR BY INACTION.

CONVERSELY, THE PRODUCERS MAY FEEL THE US AND OTHER
CONSUMERS PASSED UP A SIMILAR OPPORTUNITY TO THROW
A WRENCH INTO THE NEGOTIATIONS. THE NET EFFECT MAY BE
TO INCREASE THE CONFIDENCE OF MAJOR PRODUCERS AND
CONSUMERS THAT THE OTHER SIDE IS REALLY SERIOUS. EXCEPT
FOR COLOMBIA, WHICH REMAINED MUTE THROUGHOUT.

SPIERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COFFEE, PRODUCTION, PRESS COMMENTS, CONSUMPTION, FOREIGN POLICY POSITION, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LONDON01330
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750031-0605
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750115/aaaaamtx.tel
Line Count: 285
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 LONDON 1274
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 11 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 JUN 2003 by CunninFX>; APPROVED <31 OCT 2003 by SmithRJ>; APPROVED <10 DEC 2003 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COFFEE: REACTIONSTO PRODUCER PRESS STATEMENT
TAGS: OCON, ETRD, UK
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006